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October 20, 2008

AGENDA ITEM 8a

TO: MEMBERS OF THE INVESTMENT COMMITTEE

- I. SUBJECT:** Consultant Review of Internal Risk Managed Absolute Return Strategies (RMARS) Program
- II. PROGRAM:** Global Equity
- III. RECOMMENDATION:** Information
- IV. ANALYSIS:**

Executive Summary

The Risk Managed Absolute Return Strategies ("RMARS") Program was initially funded on April 1, 2002. Wilshire Associates conducts an annual review of the RMARS program's personnel, its investment processes, and the external resources used in managing the RMARS program. This agenda item contains Wilshire's evaluation of the RMARS program as Attachment 1. Wilshire followed the same due diligence process used to evaluate any current or prospective investment product.

The Wilshire analysis shows the following:

- The RMARS program is being managed in a manner consistent with the direction from the Investment Committee.
- Staff is managing the program in compliance with its investment policy.
- The external advisors are adding considerable value to the program.

V. STRATEGIC PLAN:

This agenda item is consistent with the Strategic Plan: Goal IX, achieve long-term, sustainable, risk adjusted returns.

VI. RESULTS/COSTS:

The purpose of this item is to keep the Investment Committee informed regarding the Risk Managed Absolute Return Strategies Program. Costs associated with this item are assumed through the Wilshire Associates contract.

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